

Mr. Speaker, there are winners and losers in this tax bill. Americans should know, making the tax bill fair to Americans and who wins and who loses in that should be reemphasized. I just want to ask the gentlewoman from Connecticut, who do you think really are the big winners in this again? I understand that we are saying this is going to be tax relief all America is going to benefit from. The gentlewoman who spoke earlier said that when next tax time comes, who will be the great winners in this? Will it be the average American who is under the \$50,000 or will it be those who are working every day trying to send their kids to school, or will it be the very poor or who really will win under this big tax break we are going to give by Friday? Who are the winners under this?

Ms. DELAURO. Mr. Speaker, it is very clear. I tell the American people that they need to take a look at the numbers, not to listen to what we have to say, but it is clear those who make over \$200,000 in this country, the richest 1 or 2 percent in this Nation are going to get an \$11,000 tax break.

Those people who are working middle-class families who are making \$30,000, \$40,000, and \$50,000 a year are looking at a pittance in terms of a tax break. They are looking at \$274.

Now, you tell me where that is equity. The other piece of this tax cut package says to the richest corporations in this Nation, let's repeal the alternative minimum tax, that floor that you have to pay in taxes to this Nation to contribute to the well-being of this country, let's eliminate and you pay zero taxes to the United States.

Mrs. CLAYTON. Will the gentlewoman yield?

Ms. DELAURO. I would be happy to yield.

Mrs. CLAYTON. Mr. Speaker, also being part of an American is to have equity, and part of it we think the compassion of this American society would say that those that are most vulnerable should not have to pay at the expense of allowing those who are the very rich, that are schoolchildren, that are senior citizens, that are veterans. There are people who are paying dearly for this tax, in fact we have already paid for it and we will pay more.

Mr. Speaker, tomorrow we will begin debate on the Republican tax cut proposal.

At a time when low- and middle-income Americans are struggling to make ends meet, relief is being given to the rich, while burdens are being borne by the poor.

The tax cut plan gives \$11,000 to those who make more than \$200,000.

For those who make less than \$30,000, the plan allows a paltry \$124.

The plan reduces the capital gains tax to its lowest in 40 years, and gives the richest 1 percent in America, 20 percent of the tax breaks.

A \$500 tax credit is available to taxpayers who earn up to \$200,000.

While cutting taxes for the rich, the plan cuts programs for children, senior citizens, and college students.

Who loses under the plan, Mr. Speaker?

The Federal School Lunch Program, serving 25 million children each day; the Women, Infants, and Children Program, serving 100,000 pregnant women and children; and the student loan program, serving 4½ million students.

Who wins under the plan?

Those who have made billions in America and now renounce their citizenship to avoid taxes; those who have made millions and now want a tax giveaway on top of profits earned from investments; and those who have made the most money from those who have the least money.

To pay for this tax cut, the Republican majority has constructed a series of attacks on programs that benefit the poor.

Most of the money comes from spending caps and from drastic cuts in public assistance programs.

Little or none of the money comes from those with a lot of money.

We have heard that, "winning isn't the most important thing, it's the only thing."

Under the plan, those who need to win lose and those who do not need to win prevail.

In the end, Mr. Speaker, I suppose children, seniors, pregnant women, and students will win.

After all, winning is, "the only thing."

I thank the gentlewoman for yielding.

Ms. DELAURO. I thank the gentleman.

SENIOR CITIZENS WILL BENEFIT FROM THE REPUBLICAN TAX BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, the previous speaker talked about who are the winners in this tax bill that we are voting on tomorrow. Well, let me tell about who are some of the winners, and those are the senior citizens of this country.

The seniors represent a very large portion of my congressional district in Florida. In fact I have more senior citizens in my congressional district than any other congressional district in the country, and this bill has significant benefits for the seniors of our country. Let me tell you why.

First of all, we hear about the child tax credit and the capital gains. The seniors would support this tax bill just for those two reasons alone. For the child tax credit, who knows better the cost of raising a child than the senior citizens? It is their children and grandchildren who are raising these kids in the country today, and they know they need that \$500 tax credit. So that is one reason the seniors will support this bill.

Capital gains. Senior citizens have a lot to gain from the capital gains. When seniors retire from up north and move to my district in Florida, they are selling their small business, they are selling real estate, they are selling their investments, they are selling stocks, and they are moving to Florida. They are paying capital gains.

Mr. Speaker, capital gains affects real people that are not wealthy peo-

ple, and that includes senior citizens. So for those two reasons they should support the bill alone, but there are a number of very specific pieces of this legislation that help senior citizens specifically. Let me identify two of them. One is the repeal of the 1993 tax increase of social Security and the other one is raising the earnings limit on senior citizens.

Mr. HOKE. Would the gentleman yield for that?

Mr. MILLER of Florida. Yes.

Mr. HOKE. The gentleman said there were some winners, and the senior citizens are the winners under the bill. Have the senior citizens been the losers in the past year or so?

Mr. MILLER of Florida. Yes, seniors are always on the losing end. In 1993 that tax bill increased the tax on Social Security. Now, I don't know, this is over \$34,000 worth of income. That is not a wealthy person to me. They raised the tax on Social Security for someone making \$34,000 a year. That is not very fair.

Mr. HOKE. Mr. Speaker, my understanding is that that cut Social Security benefits for senior citizens by \$24.8 billion. Not a single Republican voted for that either in the House or the Senate?

Mr. MILLER of Florida. Absolutely. That tax increase in 1993 was a tax increase to balance the budget and to reduce spending. That thing, our deficit in this country is getting higher and higher every year. The solution to solving our deficit problem is cutting spending, not raising taxes.

As Ronald Reagan used to say, it is not that we are taxed too little, we spend too much. Until we address the spending side of the equation we are not going to get this deficit under control, so raising taxes in 1993 was a wasted exercise and it was very painful for our senior citizens as they are finding out this month of April when they pay their taxes for 1994.

Another thing that is going to be really good for seniors, in addition to the repeal of that tax increase in 1993, the other is raising the earnings limit for senior citizens. This is a penalty on lower income seniors. If you make over \$11,280 you get taxed at 33 percent of your Social Security income.

President Clinton campaigned on that issue back in 1992, and we do not even hear about it anymore. It is a regressive tax on working seniors. Wealthy seniors, they have \$100,000 of income on interest and dividends and stock investments and such, they get to draw their Social Security, but a working senior citizen, once he makes over \$11,280 has to pay a 33 percent tax. That is in effect what he is paying. That is not fair.

This tax bill repeals that over the next 5 years. This tax relief bill is good for senior citizens, it is paid for by spending reductions, and that is the only way we are going to balance this budget, is when we go after spending reductions. It starts us on the glide

path to a balanced budget. Seniors know it is a moral issue to balance that budget, and we have got to start working on it sometime. Tomorrow is the day that we can cast our vote to move in balancing that budget.

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ELIMINATION OF ALTERNATIVE MINIMUM TAX

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from New York [Mr. SCHUMER] is recognized for 5 minutes.

Mr. SCHUMER. Mr. Speaker, we are going to be voting on this tax bill and there are some parts of it that I think are good and that I will support. Certainly the parts on the senior citizen taxation is something I have always supported, but there are lots of things in the tax bill that I think would make the American people's hair stand on edge if they knew. These are not the things the Republicans are getting up and talking about, but they are things that are things for their buddies. The worst of them all is the elimination of alternative minimum tax.

Let me tell you why I feel strongly about this. In 1986 Congressman Marty Russo—who is no longer in Congress—and I proposed an alternative minimum tax. Until that point, some of the biggest corporations in America were paying no taxes at all. Imagine how the average working stiff felt. He or she worked hard, paid 5,000, 6,000, 7,000 and 8,000 bucks in taxes and the companies in America like Mobile, like Ford, like Champion International, like UniCal, like Shell, like Scott Paper, like Phillips Petroleum paid not a smaller percentage of taxes but less dollars. They paid no taxes at all because they had the ability to hire the accountants and the lawyers and pay none.

Mr. Speaker, we stopped that. We did not say they had to pay more taxes than the average American but we said they ought to pay a minimum of 25 percent, no matter how many lawyers or accountants or loopholes they were able to employ.

Now, quietly, almost whispered, the Republicans have decided in this tax bill to repeal that and so the good old days, at least they think they are the good old days, when major corporations paid no taxes at all will return. It is a disgrace.

Mr. Speaker, here at the same time we are telling students they ought to pay more for their loans. We are telling Medicare recipients that they ought to get less back and pay more. We are telling kids on school lunches there may not be enough money for them. We are telling Champion and Chrysler and Dow and Ford and Mobil and Scott and Shell and Texaco, some of the biggest companies in America, "You can go back to the good old days when you paid no taxes."

There has been a coalition, the AMT Working Group, that are companies that are lobbying to eliminate this alternative minimum tax provision. We can see why. Almost every one of them in the 3-year period 1982 to 1985 paid not a little bit of taxes, but no taxes for some point in time, for 1 of those years, 2 of those years, up to 4 of those years. It is 4 years.

So my colleagues, let us not pass a tax bill that benefits the wealthiest corporations. Let us not pass a tax bill that gives such a high proportion of the money to corporations and then cut money for the students on loans, cut money for the kids on lunches.

What kind of contrast is that? Who is the Republican party representing? This was not in the contract. Every one of you who signed that contract talked about a \$500 credit for children. Mobil does not have any children, yet they are getting a tax reduction. Texas Utilities does not have any children.

So this is the wave of the future, I am afraid to say, my colleagues. Once the contract is over, the contract some of us did not like parts of it, some parts I supported, but once the contract was a restraining thing for our colleagues on the other side, business and the wealthiest of businesses are going to run rampant.

Now, I like these businesses, frankly. I think they are good for America. I think they employ people, but I like the average American a little bit more. If the average American has to pay taxes, why should not our biggest companies?

That is our message. It is very simple. You do not see them talking about that in lights, but you can be sure in the corporate boardrooms tonight and tomorrow night and after the tax bill passes, they are going to be congratulating each other, having put one over on the American people and repealing the Schumer-Russo alternative minimum tax.

ALTERNATIVE MINIMUM TAX REPEAL PART OF GROWTH PACKAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. SAXTON] is recognized for 5 minutes.

Mr. SAXTON. Mr. Speaker, the gentleman from New York [Mr. SCHUMER], my good friend, and I work about as well together as a Democrat and a Republican who come from different ends of the political spectrum can work.

I would just like to say to the gentleman that I appreciate the things that he just said about the alternative minimum tax and the companies that he referred to. He mentioned that they do not have children and I guess that is true, but I will tell you what. They have a lot of workers. Mobil has a lot of workers and Ford has a lot of workers and Chrysler has a lot of workers. I cannot really read the whole list. I am

sure all those big companies have a lot of workers that depend on them.

One of the things that my friend from New York did not say is that what the alternative minimum tax repeal does is to make it easier for these companies to do business. Studies show conclusively that 42 cents out of every dollar that we give back to a corporation in taxes goes directly to the workers in salaries, more workers, and higher salaries. So the repeal of the alternative minimum tax is not such a bad way to go to make things better for everybody.

As a matter of fact, that is what the Republican tax package is about: To make things better for everybody. It is patterned, believe it or not, after something John Kennedy said years ago when he said, "A rising tide lifts all boats." It is true. This is a growth-oriented tax package and the alternative minimum tax provision is part of that growth package.

Mrs. SMITH of Washington. Would the gentleman from New Jersey [Mr. SAXTON] yield?

Mr. SAXTON. I will yield to my colleague, the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. I want to ask you a question, but I want to say something first. I remember why I got into politics. I just was sitting here thinking they doubled my taxes in one year on my small business. Had more than 125 people. They doubled them.

And in our State we have a business and occupation tax. That means you can have no profit like these companies, and the government still taxes you. So you can end up with a net nothing, and the government gets theirs. They skim off the top always, just like the minimum tax. Always, always.

In the early 1980's, I was losing money. At the same time, we had this business and occupation tax, which was a gross tax. It was gross in many ways. I laid off two people. I got mad. Folks, I was a Democrat, 30-some-year Democrat, adamant Democrat.

I got a book on how to campaign. The guy was a Democrat that had voted for the taxes raised, and I defeated him, too, and I think about that.

You have to stop thinking that every time you turn around it is better to tax. Because I lost two jobs, and I think, "Isn't that what we are talking about, job creation in most of this? Don't most dividends that you get from stocks, I think I pay tax on all the dividends I get from stock, isn't that tax, too? Aren't they getting their tax out of these corporations?"

Mr. SAXTON. Well, it is tax.

I would say to the gentlewoman when I was chairman of the working group that put the growth part of our tax package together during the summer of last year and we identified a number of issues that we thought needed to be changed and had broad agreement, for example, the capital gains tax, which